



Ceres

Sustainability is the bottom line.

BICEP Members:

Adobe
Annie's Inc.
Aspen Skiing Company
Autodesk
Aveda
Ben & Jerry's
Burton Snowboards
Clif Bar & Company
Dignity Health
eBay Inc.
Eileen Fisher
Etsy
Fetzer Vineyards
Gap Inc.
General Mills, Inc.
Hackensack Meridian Health
IKEA
JLL
Kaiser Permanente
KB Home
The Kellogg Company
L Brands
L'Oreal USA
Levi Strauss & Co.
LinkedIn
Lyft
Mars Incorporated
Microsoft
Nature's Path Foods
Nestle
New Belgium Brewing
Nike, Inc.
The North Face
Outdoor Industry Association
Owens Corning
Patagonia, Inc.
Portland Trail Blazers
Salesforce
SFO
Seventh Generation
Sierra Nevada Brewing
Squaw Valley
Starbucks
Stonyfield Farm
Symantec Corporation
The North Face
Timberland
Unilever
Vail Resorts
VF Corporation
Vulcan, Inc.
Worthen Industries

ORIGINAL
Open Meeting Agenda Item



0000195773

RECEIVED
AZ CORP COMMISSION
DOCKET CONTROL

2019 FEB -4 P 1: 29

February 4, 2019

Arizona Corporation Commission

DOCKETED

FEB 4 2019

DOCKETED BY

[Handwritten signature]

Arizona Corporation Commission
1200 W. Washington Street
Phoenix, AZ 85007-2996

Re: Docket No. E-00000V-15-0094, Commission consideration of a possible extension of the Gas Moratorium

Dear Chairman Burns and Arizona Corporation Commissioners,

I am writing to you on behalf of the Ceres BICEP (Business for Innovative Climate and Energy Policy) Network – a coalition of more than 50 major employers and large electricity customers across the United States, including many of whom have operations and facilities in Arizona.

Our members, like many leading businesses in Arizona and nationwide, have set goals to cut emissions, invest in clean energy, and reduce energy use. These commitments not only benefit public health and the environment, but they also make business sense. A 2017 Ceres analysis shows that renewable energy and energy efficiency save U.S. companies \$3.7 billion a year, freeing up significant capital that they can reinvest into their employees, research and development, and operations.¹ Clean energy resources also help businesses hedge against volatile fuel prices, of which, gas has been particularly unpredictable.

Last year, I submitted comments on behalf of the Ceres BICEP Network highlighting the opportunity for clean energy in Arizona.² This letter described how renewable energy, especially when deployed in combination with energy storage, has become an economically competitive alternative to gas-fired peaking plants. The letter also noted that demand-side management, including energy efficiency and demand response, remain Arizona's least expensive option.

These comments further commended the Commission on its March 2018 decision not to acknowledge the utilities' Integrated Resource Plans (IRP) and for requiring utilities to conduct a more thorough analysis of natural gas prices and alternatives to fossil fuels, including energy storage and renewable energy.³ Finally, the letter raised concerns with APS' April 26, 2018, Peaking Capacity Request for Proposal (RFP), which unnecessarily restricted the amount of

renewable energy, storage, and demand-side management that could compete – potentially limiting the most cost-effective options to provide peaking capacity in favor of gas.

In light of these broader trends and the benefits of clean energy, and also the aforementioned concerns with APS' RFP, we thank the Commission for scheduling a discussion at its upcoming Open Meeting on a possible extension of its gas moratorium. We encourage the Commission to reinstate the moratorium and carefully review natural gas procurements in order to protect Arizona businesses and ratepayers from unnecessary capital investments and potential future stranded assets.

Thank you for your time and consideration.

Sincerely,



Anne L. Kelly

On behalf of Business for Innovative Climate and Energy Policy (BICEP)

Senior Director, Ceres BICEP Network

The Ceres BICEP Network comprises influential companies advocating for stronger climate and clean energy policies at the state and federal level in the U.S. For more information on the Ceres BICEP Network, visit www.ceres.org/BICEP.

For more information, please contact Emily Duff, duff@ceres.org

¹ Power Forward 3.0: How the largest U.S. companies are capturing business value while addressing climate change, <https://www.ceres.org/resources/reports/power-forward-3>

² See <http://docket.images.azcc.gov/0000189034.pdf>

³ See Arizona Corporation Commission Decision No. 76632 issued on March 29, 2018, <http://images.edocket.azcc.gov/docketpdf/0000186964.pdf>